

REPORT TO:	AUDIT COMMITTEE	
DATE:	22 September 2025	
PORTFOLIO:	Councillor Vanessa Alexander - Resources and Council Operations	
REPORT AUTHOR:	Mark Beard – Head of Audit & Investigations	
TITLE OF REPORT:	INTERNAL AUDIT CHARTER AND MANDATE 2025	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable
KEY DECISION:	No	If yes, date of publication:

1. Purpose of Report

1.1 To inform and update Audit Committee on the revised Internal Audit Charter and Mandate which has been updated to reflect both good working practices and also to ensure it remains aligned with the new Global Internal Audit Standards (GIAS).

2. Recommendations

2.1 I recommend that Audit Committee:

- note the content of this report for informational purposes.

3. Reasons for Recommendations and Background

3.1 The GIAS replaced the former Public Sector Internal Audit Standards (PSIAS) with effect from 1st April 2025. As with the PSIAS, Internal Audit must work within and conform to the new GIAS.

3.2 The GIAS have 5 domains which then break down into 15 principles and 52 core standards. The GIAS state that Internal Audit must have an Internal Audit Charter and Mandate.

3.3 The Internal Audit Charter and Mandate establishes the framework within which Hyndburn Borough Council's Internal Audit Service operates to best serve the council

and to meet its professional obligations under the GIAS. It also details the legislative basis for Internal Audit and its authority within the council.

3.4 The previous version of the Internal Audit Charter was adopted in 2022 and this 2025 version replaces this and has been updated to reflect current working practices by the Internal Audit Service and also ensure that it remains aligned to the requirements of the GIAS.

3.5 The Internal Audit Charter covers:-

- Relevant Regulations and Interpretation
- Authority and Requirement for Effective Internal Audit
- Authority and Requirement for Effective Counter Fraud Arrangements
- Definitions
- Responsibilities
- Independence, Objectivity and Integrity
- Reporting Lines and Relationships
- Access to Information
- Internal Audit Resources and Effectiveness
- Competency
- Quality Assurance and Improvement
- Non-Audit Work

3.6 The areas contained within the Internal Audit Charter and Mandate link back into the GIAS requirements.

4. Alternative Options considered and Reasons for Rejection

4.1 There are no alternative options as Internal Audit must have an Internal Audit Charter and Mandate in order to conform to the GIAS.

5. Consultations

5.1 No consultations required.

6. Implications

Financial implications (including any future financial commitments for the Council)	There are no financial implications arising from this report
Legal and human rights implications	There are no legal or human rights implications arising from this report.
Assessment of risk	Risks are taken into consideration during the audit process itself, there is no direct

	risk implication from this report.
Equality and diversity implications A <i>Customer First Analysis</i> should be completed in relation to policy decisions and should be attached as an appendix to the report.	A Customer First Analysis is not required as the Internal Audit Charter and Mandate is not setting new policy for the audit function or the Council. It documents the working practices expected to enable compliance with the GIAS.

7. **Local Government (Access to Information) Act 1985:**
List of Background Papers

7.1 No background papers were necessary for the preparation of this report.